

CHARLOTTE FIREFIGHTERS' RETIREMENT SYSTEM

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INVESTMENT COMMITTEE MINUTES

January 18, 2024

PRESENT: John Carr, Matt Hastedt, Joey Hager, Mike Feehley (arrived at 8:08 a.m.), Teresa Smith (left at 9:56 a.m.)

OTHER: Sandy Thiry, Tony Bass, Desiré Dixon, Lisa Flowers – Legal Counsel

GUEST: Chris Rooney, Laura Granger, John Forelli, Connor Watson

OFFICIAL CALL TO ORDER by John Carr at 8:04 a.m. John welcomed Mike Feehley to the Investment Committee and the CFRS Board of Trustees.

Meeting Minutes Approval

Matt Hastedt motioned to approve the December 21, 2023 meeting minutes, and Joey Hager seconded the motion. The motion carried unanimously.

Asset Allocation Report

The Committee reviewed the December 31, 2023 asset allocation report. All asset classes were in-compliance with the Investment Policy Statement.

Domestic Equity Review

MFS Mid-Cap Growth

Chris Rooney updated the Committee on the succession plan as a result of former CEO Mike Roberge's retirement.

Laura Granger gave an overview of their investment philosophy which uses a "bottom-up" stock selection process to identify high quality companies with consistent earnings growth. She reviewed the Fund's performance including the impact that the market volatility had on the strategy over the past few years. For the 1-year, 3-year, and Since Inception periods (i.e., November 14, 2019), the net of fee returns has lagged the benchmark due to macro-driven factors in the stock market. Laura explained that the strategy has been out of favor given market conditions but expects the market to begin to normalize in 2024.

Boston Partners Mid-Cap Value

Conner Watson introduced himself as the newest member of the team. As of December 31, 2023, total firm assets under management were \$93.4B with \$30B in the Mid Cap Value strategy. The portfolio outperformed the benchmark for all reporting periods. John Forelli spoke to the turnover rate within the portfolio and the stock selection process, including the P/E ratio. The sector weightings, contributors, and detractors were also discussed.

Investment Consultant RFP Q&A Review

The Committee reviewed all of the vendor submitted questions related to the Investment Consultant RFP and provided answers for the Staff and City to post on the RFP website.

Manager Updates

Boston Partners' proxy voting report was provided to the Committee for information only. No action was needed.

New Business

No new business was presented during the January IC meeting.

Joey Hager motioned to adjourn at 10:04 a.m. and Mike Feehley seconded the motion.
The motion carried unanimously.

The next Investment Committee Meeting is scheduled for
Thursday, February 15, 2024 at 8:00 a.m.